

MINUTES
Oversight Board of Successor Agency to
Lakewood Redevelopment Agency
First Regular Meeting held
April 30, 2012

MEETING WAS CALLED TO ORDER at 4:30 p.m. by Diane Perkin, Director of Administrative Services, in the Council Chambers at the Civic Center, 5000 Clark Avenue, Lakewood, California.

ROLL CALL: PRESENT: Board Member Howard Chambers
Board Member Ann-Marie Gabel
Board Member James Novak
Board Member George Ray
Board Member Celia B. Rodriguez
Board Member Marc Titel
Board Member Don Waldie

OATH OF OFFICE

The Deputy City Clerk administered the Oath of Office to the Board Members. Each Board Member signed the oath.

PLEDGE OF ALLEGIANCE was led by Board Member Howard Chambers

ELECTION OF CHAIR AND VICE CHAIR

Steve Skolnik, City Attorney opened up the floor for nominations for Chairman of the Oversight Board for a one year term.

ON MOTION OF BOARD MEMBER CHAMBERS, SECONDED BY BOARD MEMBER WALDIE, BOARD MEMBER TITEL WAS NOMINATED AS CHAIRMAN. UPON ROLL CALL VOTE, THE MOTION WAS APPROVED:

AYES: BOARD MEMBERS: Rodriguez, Waldie, Ray, Novak, Titel, Gabel and Chambers

NAYS: BOARD MEMBERS: None

Chairman Titel opened up the floor for nominations for Vice-Chair of the Oversight Board for a one year term.

ON MOTION OF BOARD MEMBER CHAMBERS, SECONDED BY BOARD MEMBER RODRIGUEZ, BOARD MEMBER WALDIE WAS NOMINATED AS VICE CHAIR.

UPON ROLL CALL VOTE, THE MOTION WAS APPROVED:

AYES: BOARD MEMBERS: Rodriguez, Ray, Novak, Gabel, Chambers and Titel

NAYS: BOARD MEMBERS: None

ABSTENTIONS: BOARD MEMBER: Waldie

DESIGNATION OF BOARD CLERK

Diane Perkin, Director of Administrative Services, provided a brief description of the duties of a Board Clerk. Duties include attending to such matters as certifying Board approved minutes and resolutions, posting of agendas, maintaining the Board roster, and other organizational items. It was recommended that the Oversight Board designate Denise Hayward, City Clerk and Jo Mayberry, Deputy City Clerk to serve in the capacity of Oversight Board Clerk, as they both have the organizational requirements of boards, agencies and councils and are available for the Oversight Board's meetings.

ON MOTION OF BOARD MEMBER CHAMBERS, SECONDED BY VICE CHAIR WALDIE, THE OVERSIGHT BOARD DESIGNATED DENISE HAYWARD, CITY CLERK AND JO MAYBERRY, DEPUTY CITY CLERK AS THE OVERSIGHT BOARD CLERK.

UPON ROLL CALL VOTE, THE MOTION WAS APPROVED:

AYES: BOARD MEMBERS: Rodriguez, Waldie, Ray, Novak, Gabel, Chambers and Titel

NAYS: BOARD MEMBERS: None

APPOINTMENT BY OVERSIGHT BOARD OF CALIFORNIA DEPARTMENT OF FINANCE CONTACT PERSON

Diane Perkin, Director of Administrative Services, provided a brief overview of the requirement of designating a contact to the State of California Department of Finance as prescribed in Health and Safety Code Section 34179 (h). The purpose stated in AB 1x 26 for the Department of Finance contact is to assist the Department in their review of decisions made by the Oversight Board. She stated that the Treasurer to the Successor Agency, who also serves as the Director of Administrative Services has worked closely with the State of California Department of Finance and the California State Controller's Office since the enactment of AB 1x 26 in the development and submission of the Successor Agency Enforceable Obligations Payment Schedule (EOPS) and draft Recognized Obligation Payment Schedules (ROPS). It was recommended that the Oversight Board designate Diane Perkin, Director of Administrative Services to serve as the Oversight Board's contact for the State of California Department of Finance.

ON MOTION OF BOARD MEMBER GABEL, SECONDED BY BOARD MEMBER RAY, THE OVERSIGHT BOARD DESIGNATED DIANE PERKIN, DIRECTOR OF ADMINISTRATIVE SERVICES AS THE OVERSIGHT BOARD'S CONTACT FOR THE STATE OF CALIFORNIA DEPARTMENT OF FINANCE.

UPON ROLL CALL VOTE, THE MOTION WAS APPROVED:

AYES: BOARD MEMBERS: Rodriguez, Waldie, Ray, Novak, Gabel, Chambers and Titel

NAYS: BOARD MEMBERS: None

CONSIDERATION OF THE SCHEDULING OF MEETINGS

Diane Perkin, Director of Administrative Services reiterated that the Oversight Board's primary role is to wind down the affairs of the former Lakewood Redevelopment Agency as prescribed in AB 1X 24, Chapter 4. She stated that the tool created to facilitate the winding down of fiscal affairs is the Recognized Obligation Payment Schedule (ROPS). This schedule is a 6-month payment schedule that runs from January to June and July to December. The ROPS must be approved by the Oversight Board and reviewed by the Department of Finance prior to receipt of property tax distribution from Los Angeles County to fund the identified obligations. Los Angeles County has identified the due dates for the six-month ROPS as October 1st and April 1st of each year. Steve Skolnik, City Attorney, informed the Board that if a regular meeting schedule is established they would not have to hold a Special Meeting for those dates, but the Board still has the ability to hold a Special Meeting if the County Auditor/Controllers or Department of Finance has made any changes to the ROPS that will require approval by the Board. It is recommended that the Oversight Board meet on a quarterly basis on the following dates for the upcoming year: September 19, 2012, December 19, 2012 (if needed), March 20, 2013, and June 19, 2013 (if needed).

ON MOTION BOARD MEMBER GABEL, SECONDED BY BOARD MEMBER NOVAK, THE OVERSIGHT BOARD ADOPTED THE QUARTLY MEETING SCHEDULE AS PRESENTED, WITH THE OPTION TO HOLD SPECIAL MEETINGS.

UPON ROLL CALL VOTE, THE MOTION WAS APPROVED:

AYES: BOARD MEMBERS: Rodriguez, Waldie, Ray, Novak, Gabel, Chambers and Titel
NAYS: BOARD MEMBERS: None

PRESENTATION BY SUCCESSOR AGENCY LEGAL COUNSEL

Steve Skolnik, City Attorney, provided a brief overview of the Ralph M. Brown Act and reminded the Oversight Board that they are required to operate under the provisions of the Brown Act meeting. He highlighted the following: regular meeting require a 72 hour notice for the public and special meetings require only a 24 hour notice; the Board can only take action on or deliberate on items on the agenda; and all meetings are open to the public. Mr. Skolnik also reminded the Board to be careful regarding communications outside meeting and to be aware that that a discussion by 4 or more members of the Board would be an illegal meeting. A summary of the Brown Act was also provided as reference to the Oversight Board members. Mr. Skolnik will offer suggestions to the Board in the event that they need legal services in the future.

NO ACTION WAS TAKEN. THE PRESENTATION WAS RECEIVED AND FILED.

PRESENTATION BY SUCCESSOR AGENCY STAFF

Diane Perkin, Director of Administrative Services presented a brief overview of the recent history of the Lakewood Redevelopment Agency (RDA) dissolution to the newly formed Successor Agency and informed the board that the RDA has already started the process of winding down. She also reviewed the

Recognized Obligation Payment Schedule (ROPS) and the three project areas. City Staff will provide a report for future meetings informing the Board on items as they are paid.

Ms. Perkins informed the Board that the two courtesy reviews have previously been requested by to ensure that the ROPS is correct. In addition she provided an overview of the administrative budget for approval by the Oversight Board

NO ACTION WAS TAKEN. THE PRESENTATION WAS RECEIVED AND FILED.

ADOPTION OF RESOLUTION NO. OB-2012-01

RESOLUTION NO. OB 2012-01; A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE LAKEWOOD REDEVELOPMENT AGENCY APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULES (ROPS) FOR JANUARY 1, 2012 THROUGH JUNE 30, 2012, AND FOR JULY 1, 2012 THROUGH DECEMBER 31, 2012

Diane Perkin, Director of Administrative Services presented an overview of AB1X 26, a companion bill to the 2011-2012 State budget bill that was enacted by the California Legislature, requiring the dissolution of all redevelopment agencies and also requiring each redevelopment agency to identify its outstanding financial obligations to other agencies and businesses, and adopt a listing of all “enforceable obligations” and corresponding payment schedules. This schedule is then incorporated into the Recognized Obligation Schedule developed by the Successor Agency to be provided for review and approval by the Oversight Board.

She also reported that, in January 2012, the City Council elected to become the Successor Agency to the former Lakewood Redevelopment Agency and the Successor Agency is required under AB 1x 26 to wind down the fiscal affairs of the former redevelopment agency; the tool created to facilitate this process is the Recognized Obligation Payment Schedule (ROPS). The ROPS lists the nature, amount and source of payment of all identified “enforceable obligations” of the former redevelopment agency that now the Successor Agency has legal responsibility to pay. The ROPS covers a forward-looking six-month fiscal period, January 1 through June 30, and July 1 through December 31. Only payments required pursuant to the ROPS may be made by the Successor Agency after the ROPS has been approved and adopted by the Oversight Board. The initial ROPS has been reviewed by the Department of Finance (DOF) and she stated that the City believes that they have made all necessary changes for final DOF approval and have prepared the ROPS on the approved template.

Ms. Perkins answered questions posed by the Board. She stated that Exhibit A, Line Item 2-Housing Fund Deficit has no obligation and the amount of \$44,000 listed in the Total Outstanding Debt or Obligation column and the June 2012 Payment column should be removed. She also stated that Exhibit A&B, Line 17-LMIHF Loan, is pending legislation, but they would like to list it on the ROPS. The amount of \$1,797,114.00 listed in Exhibit A, Line 17 Total Outstanding Debt or Obligation Column should be carried over to Exhibit B, Line 17 Total Outstanding Debt or Obligation column.

It was recommended that Oversight Board adopt:

Resolution OB-2012-01

Recognized Obligations Payment Schedule January 1, 2012 through June 30, 2012

Recognized Obligations Payment Schedule July 1, 2012 through December 31, 2012

ON MOTION OF BOARD MEMBER WALDIE, SECONDED BY BOARD MEMBER RAY, THE OVERSIGHT BOARD APPROVED RESOLUTION OB-2012-01, THE ROPS FROM JANUARY 1, 2012 –JUNE 30, 2012, AND THE ROPS FROM JULY 1, 2012- DECEMBER 31, 2012 WITH THE FOLLOWING AMENDMENTS:

- ROPS 1, EXHIBIT A, LINE ITEM 2 HOUSING FUND DEFICIT-DELETE THE AMOUNT OF \$44,000 LISTED IN THE TOTAL OUTSTANDING DEBT OR OBLIGATION COLUMN AND THE JUNE 2012 PAYMENT COLUMN.
- ROPS 1, EXHIBIT A, LINE 17 LMIHF LOAN-CARRY OVER THE AMOUNT \$1,797,114.00 TO ROPS 2, EXHIBIT B, LINE 17 TOTAL OUTSTANDING DEBT OR OBLIGATION COLUMN.

UPON ROLL CALL VOTE, THE MOTION WAS APPROVED:

AYES: BOARD MEMBERS: Rodriguez, Waldie, Ray, Novak, Gabel, Chambers and Titel

NAYS: BOARD MEMBERS: None BOARD MEMBERS GABEL AND RAY ABSTAINED FROM THE MAY 22, 2012 MEETING AS BOTH WERE NOT PRESENT.

ADOPTION OF RESOLUTION NO. OB-2012-02

RESOLUTION NO. OB 2012-02; A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE LAKEWOOD REDEVELOPMENT AGENCY APPROVING THE SUCCESSOR AGENCY'S ADMINISTRATIVE BUDGETS FOR FISCAL YEARS 2011-12 AND 2012-13

Diane Perkin, Director of Administrative Services presented the proposed Administrative Budget and for approval by the Oversight Board.

She stated that the Administrative Budget is required to include all the following: estimated amounts for Successor Agency administrative costs for the period between February 1, 2012 and June 30, 2012, and July 1, 2012 through June 30, 2013; proposed sources of payment for all administrative costs; and, proposals for arrangements for administrative and operations services provided by the City of Lakewood.

In addition, for Fiscal Year 2012-13, the proposed allowable administrative costs do not exceed the \$250,000 minimum provided by Health and Safety Code Section 34177.

It is recommended that Oversight Board adopt:

Resolution OB-2012-02

Administrative Budget February 1, 2012 through June 30, 2012

Administrative Budget July 1, 2012 through June 30, 2013

ON MOTION OF BOARD MEMBER RAY, SECONDED BY BOARD MEMBER NOVAK, THE OVERSIGHT BOARD APPROVED RESOLUTION OB-2012-02, THE ADMINISTRATIVE BUDGET FOR FEBRUARY 1, 2012 THROUGH JUNE 30, 2012 AND THE ADMINISTRATIVE BUDGET FOR JULY 1, 2012 THROUGH JUNE 30, 2013.

UPON ROLL CALL VOTE, THE MOTION WAS APPROVED:

AYES: BOARD MEMBERS: Rodriguez, Waldie, Ray, Novak, Gabel, Chambers and Titel

NAYS: BOARD MEMBERS: None

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ORAL COMMUNICATIONS: None

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ADJOURNMENT

There being no further business to be brought before the Oversight Board, Chairman Titel adjourned the meeting at 5:43 p.m.

Respectfully submitted,

Josefina Semense-Mayberry, CMC
Deputy City Clerk